

Senators who have amendments which they wish to offer, and it would be my hope and projection that these amendments would not be foreclosed. Frequently, on this side of the aisle, the point is raised that we will not agree to have cloture to cut off further amendments when our Members have not had an opportunity to present their amendments.

This is a very important bill. The bill is lopsided in favor of Wall Street over Main Street. We have seen the situation with the bailout of Bear Stearns. This bill contains provisions which will help the big guy, so to speak, with the credit for purchases of homes, with the tax credit for those who buy homes in foreclosure, and with the provisions carrying losses forward.

This bill, as noted by Senator DODD, does not adequately take care of the so-called little guy. The amendment which I wish to have voted upon would be a significant move in that direction. So I hope we will have an opportunity to vote on my amendment and to give other Senators an opportunity to present amendments to give better balance to this bill.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Montana.

Mr. BAUCUS. Mr. President, I ask to speak as in morning business. I might ask the Chair, is the Senate in morning business?

The ACTING PRESIDENT pro tempore. The time in morning business has expired, and the Senator can speak in morning business by unanimous consent.

Mr. BAUCUS. I might ask, Mr. President, if we are not in morning business, then what is the parliamentary situation?

The ACTING PRESIDENT pro tempore. To make a unanimous consent request, that you can.

Mr. BAUCUS. The Chair is assuming my intention, which I will ignore at this moment.

Mr. President, I ask unanimous consent to speak as in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### HOUSING

Mr. BAUCUS. Mr. President, a Chinese proverb asks: How can one beam alone support a house?

The same can be asked about the housing market. The housing market includes homeowners, home buyers, and homebuilders alike. To support the entire housing market, one does best to support each of its several parts.

That is why I worked with my colleague, Senator CHUCK GRASSLEY, and other members of the Finance Committee to craft the housing tax provisions in the pending substitute amendment. These provisions address the several parts of the housing market. Our legislation would help homeowners, home buyers, and homebuilders. In so

doing, our legislation would provide sounder support for the market as a whole. In today's economy, many homeowners are having difficulty paying the mortgage. About 4 percent of first-mortgage debt is delinquent. Another 1 percent is in default.

Last year, nearly 1.5 million homeowners defaulted on their first mortgages. That is up from 900,000 in the year before and 800,000 in the year before that. Defaults and foreclosures have contributed to the decline in housing prices. They have destroyed more than \$2.5 trillion in household net worth in the space of a year.

Our legislation would help homeowners with a property tax deduction available for people who do not itemize their tax deductions. This new deduction would alleviate some of the burden of local property taxes, at a time when homeowners are struggling to pay their mortgages.

This new property tax deduction would provide a standard deduction for up to \$500 for single filers and \$1,000 for joint filers. It would be available to the more than 28 million families who pay property taxes but who do not itemize their deductions. These are middle- and low-income households. These are some of the same families in the housing market who most need relief.

For home buyers, our legislation includes a home buyer credit and mortgage revenue bonds. The home buyer tax credit provides a \$7,000 tax credit for the purchase of a home upon which foreclosure has been filed. The tax credit rightfully excludes second-home purchases and rental investments. It focuses on the principal residences of struggling families.

By targeting foreclosed properties, our provision would get families into vacant homes. By targeting homes that are near foreclosure, our credit may steer home buyers to those homes. That may make enough difference to help some families to get out of foreclosure and out of harsh eviction proceedings.

Our legislation also includes mortgage revenue bonds. We would provide an additional \$10 billion of tax-exempt private activity bond authority. States could use these bonds to refinance subprime loans, to provide mortgages for first-time home buyers, and to provide multifamily rental housing.

This substantial increase for the States comes at a critical time. States are directly experiencing the effects of the economic downturn. With the financial crisis tightening up lending, this cash can provide much needed financing. That financing will once again help low- to middle-income households.

The subprime mortgage crisis and declining housing sales have forced many homebuilders to lose money. According to the most recent Labor Department report, construction and manufacturing are the hardest hit sectors of the economy. Construction shed 51,000 jobs so far this year, and manufacturing shed 48,000 jobs so far this year.

Construction employment alone is down 182,000 jobs since November. It is down by 356,000 jobs over last year. Overall, the private sector has lost 296,000 jobs over the last 3 months. That is a loss of 97,000 jobs a month.

For homebuilders, our package would allow businesses to carry back losses to profitable tax years. That would help the homebuilders hit the hardest by the housing market crisis. The pending amendment would allow troubled businesses to carry back net operating losses for 4 years, for tax years 2008 and 2009. That would allow them to receive quick tax refunds.

This tax relief would slow losses. These businesses would then have a quick cash infusion to meet payroll and other current expense obligations. We hope this relief would encourage these businesses to rehire some of those workers who have lost their jobs. This provision benefits both employers and employees.

As well, the net operating loss provisions in the pending amendment would allow homebuilders and other distressed businesses to take the book benefit of a net operating loss before claiming the amount on their tax return. This would help distressed businesses to obtain additional financing.

Now, these provisions alone would clearly not solve the housing market woes facing this Nation, but by helping homeowners, home buyers and homebuilders, we would take a significant step in the right direction. No one piece of legislation can solve all of our problems but inaction most certainly will solve none of our problems. That is why we must act. We should bring debate to a close. We should invoke cloture this afternoon. We should pass this much needed tax relief.

Let's not rely on one beam alone to support an entire structure. Let's pass this help for home buyers, homebuilders, and homeowners, and let's provide this much needed support for the housing market.

#### UNITED STATES-COLOMBIA TRADE PROMOTION AGREEMENT

Mr. BAUCUS. Mr. President, John F. Kennedy once said: "Let us not seek the Republican answer or the Democratic answer, but the right answer."

President Bush has said that he intends to submit the implementing legislation for the United States-Colombia Trade Promotion Agreement. He did so against the will of Congress, and he thus did not seek the right answer. He did not even bother with the Republican or the Democratic answer. The administration simply chose the easy answer. The administration's easy answer is also the wrong answer. It is the wrong answer for American workers. It is the wrong answer for the administration's relationship with Congress. It is the wrong answer for Colombian workers.

The Colombia Trade Promotion Agreement is a good trade agreement